placed a demand of 3,000 tonnes of palmolein for the month of June, 1994. Imported Edible Oil for PDS shall be allocated to the State from the stocks expected to arrive shortly.

Kerosene: In case of Kerosene Oil (SKO) the Central Government makes only bulk allocation of SKO to the States/Union Territories on historical basis. It has been decided to allocate 798295 Metric Tonnes of SKO during the year 1994-95 to the State of Gujarat, after allowing a moderate increase over previous year.

(b) and (c) The stocks position of foodgrains (wheat and rice) in the Central Pool continue to be comfortable. In case of Sugar, in order to augment availability of levy sugar for meeting PDS requirement upto middle of December, 1994, Government had decided to import about 8.5 lakh tonnes of imported sugar. The requirement of PDS would be thus met from indigeneous and imported sugar.

(d) and (e) No proposal has been made by the Government of Gujarat for additional allocation of wheat and rice for the drought affected districts.

Plan for Improvement in the Sugar Production

561. SHRI IQBAL SINGH : Will the Minister of FOOD be pleased to state :

(a) whether it is a fact that Government have formulated a plan for improvement in the sugar producing sector of the country during the current financial year;

(b) if so, the details thereof and if not, the reasons therefor; and

(c) what effective measures Government intends to take to control the price of sugar in the open market?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI) : (a) and (b) Government have not formulated any specific plan for improvement in the sugar producing sector of the country during the current financial year. However, for overall improvement of the sugar industry in the country, the Ministry of Food have sanctioned/disbursed the following financial assistance from the Sugar Development Fund during the current financial year (upto 30-06-1994).

(Rs. in Crores)

	Sanctioned	Disbursed
(a) Cane Development	..	1.94
(b) Modernisation	6.79	10.91

(c) To control the price of sugar in the open market, Government have taken the following measures:

(i) Import of sugar has been allowed under Open General Licence (OGL).

(ii) To monitor the import of sugar under OGL, a Committee under the Chairmanship of Additional Secretary (Food) has been constituted, which meets regularly to review the progress and to resolve the difficulties which are brought to its notice by various importers.

(iii) Further, in order to augment the supply for the Public Distribution System, it has also been decided that Public Sector undertakings, like STC and MMTC, would also under-

take import of sugar under OGL.

(iv) Import of raw sugar has been placed under OGL, duty free.

(v) With a view to ensure that indigenous sugar is not held back by the mills, it has been decided to impose restrictions on the sale/ despatch of free sale sugar released to the mills on weekly basis, instead of the earlier restrictions on forth-nightly basis.

(vi) Gur (Control) Order 1994, has been issued imposing stock holding limits and turnover period on gur dealers in respect of gur stocks held by them. This has been done with a view to discourage speculative hoarding of gur. It is also expected to have a sympathetic sobering effect on sugar prices.

(vii) Sugar industry has been persuaded to agree to the conversion of 2.5 lakh tonnes of freesale sugar into levy as loan on replenishment basis for distribution to consumers through the Public Distribution system.

Dues of Farmers for Payment

562. SHRI TRILOKI NATH CHATURVEDI :
DR. MURLI MANOHAR JOSHI :

Will the Minister of FOOD be pleased to state :

(a) the State-wise amount due to be paid to the farmers for the supply of sugarcane in 1992, 1993 and upto June 1994; and

(b) what steps have been taken by Government to pay the arrears to the farmers together with the details of action taken against the defaulters during the last three years?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI) : (a) Lists showing the State-wise position of cane price arrears, compiled on the basis of information furnished by sugar mills, relating to the seasons 1991-92 and 1992-93 as on 15-11-1992 and 15-11-1393 respectively and the position of cane price arrears as on 15-5-1994 during the current 1993-94 season are enclosed as Statement-I, II and III.

(b) As per the Sugarcane (Control) Order issued by the Central Government under the Essential Commodities Act, it is obligatory on the part of all sugar mills to pay the Statutory Minimum Price (SMP) for sugarcane to growers. In the case of State-advised prices of sugarcane, which are substantially higher than the SMP, the responsibility for ensuring timely payments of cane price dues lies with State Governments which have the necessary powers and field organisations to enforce such payments. Accordingly, action against defaulters has to be taken by the respective State Governments.

In order to prevent the accumulation of cane price arrears, State Governments have been advised to follow a more reasonable pricing policy for cane in conformity with the Bhargava Formula. A Committee of 5 Ministers of State Governments has been constituted to make recommendations regarding the pricing policy which should be followed for State Advised Prices of sugarcane.

On the basis of the updated statistical compilations for the sugar season 1992-93, the arrears of sugarcane price on an All-India basis, which were 16.9% of the total cane dues as on 31-3-1993 during the season 1992-93, got reduced substantially to 3.4% as on 31-7-1993 and further to 1.5% as on 15-11-1993. During the current season 1993-94, as on 15-5-1994, the arrears were Rs. 166.34 crores, representing 3.6% of the total dues.